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es this system, which can be fully imple-
mented in less than 5 years, is estimated
to cost between \$19 and \$20 million. On
the basis of a study by the Office of Man-
agement and Budget, the Government
will receive a \$1.70 return for every \$1
spent.

For fiscal year 1976, the Passport Of-
fice requests \$1 million for the develop-
ment of TDIS. Authorization of this re-
quest should be included in S. 1517.

Postponement of the program for just
1 year will cost the Government—and
the American people—\$3.1 million in
lost savings. Furthermore, if our present
issuance system is not replaced within a
relatively short period of time, it will
come close to collapsing altogether.

Mr. President, I cannot emphasize too
strongly the need for this authorization.
Our country cannot afford to have as its
only passport issuance system one which
is rapidly deteriorating; nor, in view of
the economic crisis we face, can the
Government pass up the savings which
will accrue from TDIS.

Mr. SPARKMAN. Mr. President, in
my part, I am willing to accept this
amendment. I do want to say this:
simply states in clear and unmistakable
terms what is already in the bill.

It is in the bill in this way: We pro-
vide a large amount in the category of ad-
ministration of foreign affairs; and in
making up that sum, we took into con-
sideration and included the same \$3.1
million, which, by the way, is a part
of the President's program. It has been
requested, and I understand that it has
been approved by the State Department.

Mr. CURTIS. Mr. President, will the
Senator yield?

Mr. SPARKMAN. I yield.
Mr. CURTIS. I thank the Senator for
his consideration. I know that his ex-
planation of the matter is in accord with
the facts.

I also thank the ranking minor-
ity Member, Senator CASE, for his coopera-
tion, and I thank Senator JAVRS and
others who have been involved in this
matter. I believe it is important that
we make this modernization.

I thank the Senator very much for his
cooperation.

Mr. SPARKMAN. Even though I
already in the bill as a part of the over-
all sum, it certainly does no harm to
include this language. It spells it out
in terms that cannot be misunderstood.

Mr. CURTIS. I thank the Senator
very much.

Mr. CASE. Mr. President, on this
point, I ask the Senator from Nebraska
this question: There has been some sug-
gestion that the director of the Passport
Office has made a recommendation about
what amounts to a national identity card
system for all Americans. I take it that
is not a part of anything of that sort.

Mr. CURTIS. I would think that would
be a totally different thing.
Mr. CASE. I think it is a totally
different matter, not within the pur-
view of this commission, which is to
deal with travel documents.

Mr. CURTIS. Yes, that is right.
Mr. THURMOND. Mr. President, this

is not one member of this body who has
not been called upon by a constituent
to provide expeditious passport service
in cases of emergency or extreme need.
We all know that the surest and fastest
means of assisting our constituents in
these instances is to pick up the tele-
phone and call the Passport Office. Even
on weekends, holidays and at night, the
Passport Office reacts immediately to
our constituents' problems. It was not
always so prior to the assumption of the
directorship of that Office by Miss
Frances G. Knight. Are we now to deny
the Passport Office the opportunity to
improve itself further by moving into
the modern technological era? For this
reason, I support the amendment au-
thorizing \$1,000,000 initial funding for
the Passport Office's new Travel Docu-
ment and Issuance System and urge my
colleagues to do likewise.

Mr. HRUSKA. Mr. President, I cer-
tainly wish to associate myself with the
amendment offered by my esteemed col-
league, Senator CURTIS. The amendment
is directly related to a request for \$1,000,-
000 in the appropriation bill for the De-
partment of State. This sum is to be
used for the development of a project
which will provide the United States with
a new passport with an improved format
more easily handled, more convenient
for the citizen and inspecting officers at
our ports of entry. Along with this mod-
ern document is an issuance system
which will improve greatly the mechan-
ical processing of the passport. All these
modern improvements will provide better
service, more accuracy, more efficiency
and speed in the operation of the Pass-
port Office.

In 1957, a previous modernization of
the Passport Office brought about the
development of a new passport document,
a machine system of production to re-
place manual systems, and a move to new
quarters which would permit the efficient
handling of an ever-increasing workload.
This project was overwhelmingly sup-
ported by the Congress and it paid off
many times over in the first year of
operation. Modern machinery was in-
stalled, new equipment introduced, a re-
training program for employees was de-
veloped—all of which greatly improved
passport services rendered to American
citizens. All phases of application accep-
tance, passport processing, filing, record-
ing and communications were improved
and speeded up. Not only the American
traveling public, but we, in Congress,
were the beneficiaries of this tremendous
improvement. In many offices it virtually
eliminated the follow-up telephone calls
and communications from congressional
offices which were required because of
months of backup workload with result-
ing delays in the issuance of passports.

Nineteen years have passed since that
major overhaul of the Passport Office
occurred and it is now time to prepare
for another step forward in meeting the
challenge of modern technical develop-
ments. Today the Passport Office issues
approximately 2,400,000 passports annu-
ally. The procedures and machinery it

developed in 1957 are now obsolete and
breaking down. In addition, the basic
passport writing machines are no longer
produced in this country. A new look is
essential, if we are to move ahead with
the times. According to the conservative
calculations of the Office of Budget and
Management, the program recommended
by the Passport Office will save the Fed-
eral Government a minimum of \$31,000,-
000 within the next 5 years. Certainly,
this is not a project to be denied or de-
layed by the Congress.

I wish every Federal agency would
demonstrate this kind of effort to im-
prove its operations and save money for
the Government. This is the kind of ac-
tion program our country needs. It dem-
onstrates initiative and dedication to the
improvement and effectiveness of Gov-
ernment services.

In an extension to these remarks, I
am describing the proposed Travel Docu-
ment and Issuance System developed by
the Passport Office with the purpose of
making the essentials of the program
available to my colleagues.

The PRESIDING OFFICER. The ques-
tion is on agreeing to the amendment.
The amendment was agreed to.

Mr. CURTIS. Mr. President, I move
to reconsider the vote by which the
amendment was agreed to.

Mr. SPARKMAN. I move to lay that
motion on the table.

The motion to lay on the table was
agreed to.

Mr. PROXMIER. Mr. President, I send
an amendment to the desk.

The PRESIDING OFFICER. The
amendment will be stated.

The assistant legislative clerk pro-
ceeded to read the amendment.

Mr. PROXMIER. Mr. President, I ask
unanimous consent that further reading
of the amendment be dispensed with.

The PRESIDING OFFICER. Without
objection, it is so ordered.

The amendment is as follows:

On page 15, immediately below line 25,
insert the following new section:

FOREIGN GIFTS

Sec. 106. The Act entitled "An Act to pro-
vide certain basic authority for the Depart-
ment of State", approved August 1, 1956, as
amended, is amended by adding at the end
thereof the following new section:

"Sec. 17. (a) No property purchased with
appropriated funds in excess of \$50 and no
appropriated funds in excess of \$50 may be
given to any person of any foreign country."

"(b) Not later than 30 days following the
end of each fiscal year, the President shall
transmit a report to the Speaker of the
House of Representatives and Committee on
Foreign Relations of the Senate describing
fully and completely—

"(1) any gift given on behalf of any per-
son by, or with the assistance of, any officer
or employee of the United States to any per-
son of any foreign country; and

"(2) the activities of such officer or em-
ployee with respect to the giving of such gift.

"(c) Any financial transaction involving
any funds made available to meet unforeseen
emergencies arising in the Diplomatic and
Consular Service shall be audited by the
Comptroller General and reports thereon
made to the Congress to such extent and at
such times as he may determine necessary.
The representatives of the General Account-

ing Office shall have access to all books, ac-
counts, records, reports, files, and all other
papers, things, or property pertaining to
such financial transaction and necessary to
facilitate the audit."

(b) (1) Section 7342 of title 5, United
States Code, is amended—

(A) by striking out the section caption
and inserting in lieu thereof the following:

"7342. Foreign gifts and decorations"; and

(B) by striking out subsection (c) and
inserting in lieu thereof the following:

"(c) Congress does not consent to the ac-
cepting or retaining by an employee of any
gift. No gift may be accepted by an em-
ployee."

(2) Item 7342 in the analysis of subchap-
ter IV of chapter 73 of such title 5 is amended
to read as follows:

"7342. Foreign gifts and decorations."

(c) The amendments made by this sec-
tion shall apply only with respect to gifts
tendered on or after the date of enactment
of this Act.

GIFT-GIVING-AND-RECEIVING AMENDMENT

Mr. PROXMIER. Mr. President, I
think it will take only a very few minutes
to dispose of this amendment, because I
do not intend to press it; but I do want
to bring it up and discuss it on the floor
with the chairman.

I have prepared an amendment to this
Foreign Relations Authorization Act of
1976-77 which would preclude the giving
or receiving of gifts valued at more than
\$50. The prohibition would apply to indi-
viduals in foreign governments and all
employees of the U.S. Government.

This is identical to an amendment
which was accepted on the foreign aid
bill last year but which subsequently died
with that bill.

Mr. President, having just returned
from my State of Wisconsin, I can tell
my colleagues that there is nothing that
disturbs voters more than giveaway pro-
grams to foreign governments. And at
the top of the list of those items found
objectionable are the free gifts that have
been given to foreign heads of state and
other officials.

In many instances these multi-million-
dollar gifts are nothing more than subtle
bribes. We are buying friendship and
cooperation.

Gift giving by American diplomats has
reached epidemic proportions. We are
showing foreign leaders with a broad
range of gifts that range in price up to
millions of dollars.

The State Department has informed
me that gift giving has quadrupled over
the last 25 years, and it now takes nearly
\$1 million annually just to administer
the foreign gift-giving program. One
million dollars just to find ways to give
away more of our resources, more of our
tax dollars.

One gift that remains in the mind: of
many is the \$3 million Sikorsky heli-
copter to Egyptian President Anwar
Sadat. The State Department justified
this gift as "essential to the national
interest of the United States." They took
the money for this giveaway out of the
disaster relief fund.

The General Accounting Office found
that "although not strictly illegal, the

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gift was contrary to the intent of Congress."

On President Nixon's journey to the Near East, 76 personal gifts—ranging from expensive crystal to gold jewelry—were presented to various foreign dignitaries at public expense. These gifts were funded out of the Emergencies in the Diplomatic and Consular Services account. What emergency was involved is beyond me.

And who can forget the \$10 million in Egyptian pounds donated to Mrs. Sadat's favorite charity—the Loyalty and Hope Society—an organization that provides medical treatment to a number of Arab nations' civilian and military personnel? This was a pure gift, with no assurances as to how the money was spent.

Over the past year, I have inquired of the State Department as to which other foreign dignitaries were receiving gifts and at what expense. The State Department refuses to provide the details linking the gifts with the specific foreign dignitaries. Similarly, the General Accounting Office has been blocked from auditing the accounts of the State Department from which the funds for gifts flow.

One of the provisions of my amendment will allow the GAO access to all State Department records dealing with foreign gifts.

I ask, just what good did this extraordinary gift giving do? What did we buy with our largesse? Are bribes necessary in the conduct of diplomacy?

It may be of interest that our \$3 million helicopter, according to press accounts, is sitting unused in the Egyptian desert. What good purpose did it serve?

Mr. President, on December 3, 1974, I submitted a similar amendment to the Foreign Assistance Act, my prior amendment having died with the recommitment to the Senate Appropriations Committee. I withdrew that amendment when the acting chairman and floor manager, Senator McGEE, suggested that it more properly belonged on the bill being considered today. Senator McGEE has been most helpful in pursuing this matter, as has the distinguished Senator from South Dakota (Mr. McGOVERN).

This bill and amendment come at a time when once again the public's attention is being drawn to massive gift giving. The proposed agreement in the Middle East apparently carries with it a very high price tag. Just how high is not yet known. Even granted that this type of aid would not fall under the provisions of this amendment since it only deals with individuals, the issue of diplomatic bribery and dollar diplomacy are quite prominent.

Is it the policy of this Nation to sweeten diplomatic agreements by providing massive grants of U.S. aid? What happened to the old-fashioned diplomacy where "good offices" means bringing two sides to agreement with diplomatic negotiations? Today, "good offices" means that the United States will be the sugar daddy—the unlimited reservoir of financial aid. We are buying diplomatic suc-

cess, and that is a very tenuous base for the negotiating posture of the United States. It is the worst possible waste of tax dollars.

Mr. President, I understand that the Committee on Foreign Relations has discussed this matter at some length and that the committee has taken an adverse position. Frankly, I feel that this amendment could prevail on the floor if it were offered, as indeed it has prevailed in the past. I do not intend to offer it today, if my understanding is correct—and I ask the distinguished chairman of the Foreign Relations Committee to tell me whether or not it is. It is my understanding that the committee expects to hold hearings on this matter and that those hearings will be held within the next few months. Is that correct, if I may ask?

Mr. SPARKMAN. The Senator is correct.

We had a good bit of discussion, but there are many complexities to this matter. We just had a discussion without holding hearings on it.

We had the GAO recommendation before us, but we did not have time to give it adequate consideration, and we do plan to take it up and hold hearings on it.

Let me ask the Senator a question or two. As I understand it, his proposal would prevent Ambassadors abroad from making these gifts. Is that correct?

Mr. PROXMIRE. Yes. It would prevent any official of the United States, whether an ambassador or a President of the United States or a Secretary of State, from making gifts in excess of \$50 to an official of a foreign government.

Mr. SPARKMAN. I wanted to ask whether it covered the President and all other public officials of the United States.

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. There is another thing: This really is not involved in the Senator's proposal, but we also had a discussion about gifts to Members of Congress, gifts to Senators from foreign governments. That happens sometimes. I may say that I have applied the rule all along—and this was in accord with the advice we received from somebody in the State Department—of a limitation of \$50.

I have received some gifts that I felt exceeded \$50, and I have sent those to the Department of State, again, in accordance with advice that I had received. I understand that the State Department gets an accumulation of gifts and then they have an auction. Senator SCOTT raised some questions, and maybe some other members of the committee raised some questions, with reference to those auctions, as to whether they were conducted in a way so as to get the real value out of these gifts instead of just making an easy disposition of them.

I remember when the head of government of some country was here and the Senate Committee on Foreign Relations gave him a luncheon or coffee. He went home and sent me an autographed portrait in a most elegant silver frame. I felt that its value surely exceeded \$50, so I sent it over to the Department of State,

and it either rests there or has been disposed of in an auction. I am not sure. I have received other gifts and, if I had any question about the value, I always sent them to the Department of State.

I feel that that is a good course of conduct for Senators to follow, but there has been some concern expressed in our committee as to whether or not the Department of State, in turn, was getting full value out of the disposition of gifts.

Mr. PROXMIRE. I say to the distinguished chairman of the committee that I appreciate this very much. I appreciate the fact that the committee has considered it. I think, after all—I am sure—that there is no lack of integrity on the part of Presidents or on the part of Members of Congress or on the part of other people who accept these gifts. I think it is just an embarrassing practice. It is very difficult to say no when out of the goodness of their heart, apparently, foreign Presidents or foreign guests give a gift to a President or some official. I think the law will help, however. I think it will help to say that, unfortunately, this is illegal, it cannot be done.

When we give a \$3 million helicopter to the President of Egypt or donate a large sum to a foreign charity, it is not the person who gives the gift who gives it. It is the American taxpayer who pays for it. I believe the taxpayer, in many cases, would not want to pay out that kind of money for a fancy, expensive gift to a particular individual in a foreign country.

Mr. SPARKMAN. We gave away some Cadillacs, did we not?

Mr. PROXMIRE. We have given away Cadillacs, all kinds of things. It must stop.

Mr. SPARKMAN. I say "we." I mean our Government.

Mr. PROXMIRE. Individual officers in our Government did. This is something that is not diminishing now, it is increasing. It is four times as great as it was a few years ago.

I hope that the Committee on Foreign Relations will really consider this amendment very seriously and will come up with a recommendation one way or the other, this year, if possible—if not, early next year—so that we can dispose of this.

Frankly, if the Committee on Foreign Relations takes an adverse position after the hearings, and I think it is open as to which position they will take, I intend to press as vigorously as I can for the adoption of this amendment on the floor of the Senate.

Mr. SPARKMAN. From the discussion we had in the Committee on Foreign Relations, I believe we will be sympathetic to some such proposal as this. We do intend to hold hearings.

Mr. PROXMIRE. I thank the distinguished Senator.

Mr. President, I withdraw my amendment.

The amendment was withdrawn.

AMENDMENT NO. 870

Mr. BENTSEN. Mr. President, I have an amendment at the desk which I want to have read.